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Quick Facts:

12%: Current
Unemployment Rate

564,481: Total number of
Floridians currently
receiving unemployment
benefits

\$275: Maximum weekly
benefit available

30.1%: Claimants who
receive the maximum
weekly benefit amount for
claims that began fiscal
year 2010

17.1: Average Number of
benefit weeks for fiscal
year 2010

**Facts and information generated by
the House Economic Affairs
Committee*

The Pulse: Unemployment Compensation CS/CS/HB 7005

Background:

Unemployment Compensation is a federal-state partnership that provides benefits to individuals who are unemployed. It is administered under Florida state law. Unemployment Compensation acts as a temporary, partial wage replacement to the unemployed. The program helps keep the economy stable by helping consumers maintain their ability to purchase necessities such as food, shelter, and clothing. Florida's Unemployment Compensation system is funded by Florida businesses who pay a state unemployment tax as well as a federal unemployment tax.

Issue at a Glance:

Proponents of recently proposed legislation contend the economic downturn has illuminated the weaknesses of Florida's Unemployment Compensation system which is currently structured as a pay-as-you-go system. The system's current design allows Unemployment Compensation payroll taxes to remain low during stable employment periods, and raises them during periods of economic stagnation, resulting in high benefit payouts. Proponents of the bill, including representatives of Florida's business community, have raised the following concerns with the current system:

- Forces the state to borrow from the federal government because Florida's trust fund was overwhelmed by the high volume of benefit payouts;
- Fosters instability in the system because tax rates and collections can be dramatically higher for several years; and
- Depends on continued improvement in employment.

What the Bill Does:

CS/CS/HB 7005 proposes changes to Florida's Unemployment Compensation system including:

- Establishing a maximum number of 20 weeks for Unemployment Compensation;
- Maintaining the available Federal Tiers (which begin when state Unemployment Compensation benefits have been exhausted); a claimant will continue to receive the same weekly benefit amount although he or she may be in a particular Tier for a shorter period of time before moving to the next Tier;
- Tying the number of available benefit weeks to the unemployment rate. For example, if the rate hits five percent or less the maximum number of weeks would be 12. The number of weeks available would increase the higher the unemployment rate grows;
- Requiring Floridians to complete an initial skills review following benefit eligibility determination;
- Maintaining the maximum weekly benefit amount of \$275;
- Modifying current law regarding claimant, employer responsibility so that neither the claimant nor the employer are favored when determining eligibility for benefits;
- Changes the tax structure for employers beginning in 2011.

Representative John Legg
Speaker pro tempore

Office of Public Information
850.921.7747

PublicInfo@myfloridahouse.gov

Want to Learn More?

The Florida House of
Representatives:
www.myfloridahouse.gov

Agency for Workforce
Innovation (AWI):
<http://www.floridajobs.org/>

Florida House Republican
Office:
<http://www.myfloridahouse.gov/Sections/Leadership/Offices/MajorityLeadership/MajorityLeader.aspx>

United States Department
of Labor:
<http://workforcesecurity.doleta.gov/unemploy/>

Unemployment Compensation: Frequently Asked Questions

What is Unemployment Compensation and what does it do?

Unemployment Compensation is a Federal-State partnership that is administered under state law. The purpose of Unemployment Compensation is to act as temporary, partial wage replacement to the unemployed. Unemployment Compensation benefits help to keep the economy stable by assisting consumers in maintaining the ability to purchase the necessities of life such as food, shelter, and clothing.

How long has Florida had an Unemployment Compensation program?

Florida's Unemployment Compensation program was created by the legislature in 1937 as part of the national unemployment insurance system.

I can't find a job. Can I file for Unemployment Compensation?

Anyone who is currently unemployed or partially unemployed due to no fault of their own can file a claim for Unemployment Compensation.

Who is eligible for the Unemployment Compensation program?

To be eligible for benefits, jobless workers must be ready, willing, and able to work. In addition, the jobless worker must be actively seeking employment.

To further determine whether you are eligible to file a claim please visit, the [Agency for Workforce Innovation](#).

How is Unemployment Compensation funded?

Florida employers pay Unemployment Compensation taxes. Employers pay a state unemployment tax as well as a federal unemployment tax.

The state tax pays for Unemployment Compensation benefits to unemployed Floridians. The federal tax pays for the cost of administering the Unemployment Compensation program, job service programs, and some of the extended unemployment benefits.

How long can someone receive Unemployment Compensation benefits right now?

State benefits range from a minimum of \$32 to a maximum weekly benefit amount of \$275 for up to 26 weeks, depending on the claimant's length of prior employment and wages earned. Once a claimant has exhausted their state claim, four Federal Tiers and a period of federally funded extended benefits are available, up to an additional 73 weeks.

Where can I go to find out more information about Unemployment Compensation in Florida?

The Agency for Workforce for Innovation (AWI) is Florida's lead workforce agency and directly administers Unemployment Compensation within the state. To contact AWI concerning Unemployment Compensation, please visit the [Agency for Workforce Innovation](#).

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